CITY OF MIAMI BEACH

Office of the City Manager Letter to Commission No. 025-20



Date: January 28, 2004

To:

Mayor David Dermer and

Members of the City Commission

From:

Jorge M. Gonzalez

City Manager

Subject:

THE REVIEW, ASSESSMENT, AND RECOMMENDED STRUCTURE OF THE

GREATER MIAMI CONVENTION AND VISITORS BUREAU CONDUCTED BY

ECONOMIC RESEARCH ASSOCIATES (ERA)

On May 22, 2002, the Mayor and City Commission adopted Resolution No. 2002-24854, authorizing the renewal of the Agreement between the City of Miami Beach and the Greater Miami Convention and Visitors Bureau (the "Bureau") conditioned upon the issuance of a Request for Proposals (RFP) to review and assess the current Bureau governance, structure, processes and overall operations, and make recommendations as to what model and/or structure should provide the services to achieve optimal sales, marketing, and public relations efforts to enhance the City's Tourism and Convention Industries.

On July 31, 2002, the Mayor and City Commission discussed whether the City of Miami Beach should participate with Miami-Dade County and the City of Miami in a collaborative study and evaluation of the Bureau, and elected to conduct its own study.

On November 13, 2002 the Mayor and City Commission adopted Resolution No. 2002-25072 and authorized a contract with ERA to:

- Review and assess the Bureau governance, structure, processes and overall operations;
- Make recommendations as to what type of model/structure should exist to enhance the City of Miami Beach's tourism and convention industries;
- Compare and provide a comprehensive report on Bureau operations relative to industry standards; and

On January 14, 2004, the Mayor and City Commission referred the review, assessment, and recommended structure of the Greater Miami Convention and Visitors Bureau conducted by Economic Research Associates to the Finance and Citywide Projects Committee.

As part of the City's commitment to assure participation by City stakeholders, in February 2003 (as advised via LTC 31-2003), I organized a steering committee to help guide the consultant's work plan and provide input throughout the deliverables. The steering committee has been comprised of City staff and:

- Elsie Howard, Visitors and Convention Authority
- Stu Blumberg, Greater Miami and the Beaches Hotel Association
- Michael Milberg, Chair of Miami Beach Convention Center
- David Kelsey, South Beach Hotel and Restaurant Association
- GMCVB Liaison to be appointed by GMCVB
- Doug Tober, SMG

On January 13, 2004, the Steering Committee convened to review the 2nd Revised Draft Report (see attached) and provided commentary. As a result, the consultant has incorporated certain revisions to the report in the form of a 3rd Revised Draft Report, that in our opinion, is beyond the original scope of work.

The Steering Committee will meet one final time, the week of February 2nd, to review the 3rd Revised Draft Report. The Committee's comments will be forwarded to be discussed at the next Finance Committee meeting.

Let us preface the distribution of the 2nd Revised Draft Report with the proviso that ERA has conducted and prepared this report independently. The Administration, together with the Steering Committee, has attempted to provide input to the Consultant as they developed their recommendations. However, the Consultant's report reflects their opinions and does not necessarily include all of the input provided to date. Additionally, the Consultant has included recommendations in an attempt to address individual committee member concerns that has resulted in a deviation from the original scope of work.

As stated above, this report has been referred to the Finance Committee at which time, direction on the upcoming expiration of the Agreement between the City of Miami Beach and the Greater Miami Convention and Visitors Bureau contract and any future action should be discussed. In the meantime, if you have any questions, please do not hesitate to contact me.

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